

AGENCY ESTIMATE
OF THE FISCAL IMPACT OF IMPLEMENTING
1st Sub. H.B. 253 2011 General Session
Employment of Unauthorized Aliens

Sponsor: Rep. Christopher N. Herrod
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A. Short Form (For bills that have no impact on the state, local governments, businesses, or individuals.)

If you can check all five boxes to the right, you're almost done. If the bill obviously doesn't have an impact, you're done.

- | | |
|-------------------------------------|---|
| <input type="checkbox"/> | State agencies will not require an appropriation to implement the bill. |
| <input type="checkbox"/> | There is no fiscal impact on local governments. |
| <input checked="" type="checkbox"/> | There is no fiscal impact on businesses |
| <input checked="" type="checkbox"/> | There is no fiscal impact on individuals. |
| <input checked="" type="checkbox"/> | The bill will not affect revenues. |

If it isn't so obvious, explain what's going on. The most usual explanation is the codification of existing practices.

Attachments welcome.

If necessary, explain why this bill has no fiscal impact.

B. What parts of the bill cause fiscal impact?

Cite specific sections or line numbers.

172-179, 393-403

C. Which program gets the appropriation?

Enter 3 letter Appropriation Unit Code.

PAD

For multiple appropriations

This is of

D. Work Notes: Assumptions, calculations & what are we buying?

Explain the fiscal impact in plain English, detailing your assumptions, methods, & calculations.

List all direct costs. Identify one-time and ongoing costs. Detail FTE impacts.

Do not say, "\$50,000 in Current Expense." Be very specific about what this \$50,000 will buy.

Attachments encouraged.

1st Sub. HB 253 will require an ongoing State Appropriation to the Uniform School Fund of \$41,748 to cover the costs of compliance by State Education Agencies, School Districts, and other LEAs (private employers). If lines 172-179 are lawful under Federal statutes, in the initial year of implementation 1st Sub HB 253 will require an additional State appropriation of approximately \$240,240 to the Uniform School Fund to cover the cost for HR personnel to e-verify all existing FTEs. See the attached Assumptions & Projections worksheet calculating the implementation and ongoing costs for compliance with 1st Sub. HB 253. The items in **Black** on the worksheet can be changed by the Legislative Fiscal Analyst's Office based on desired changes in assumptions. The items in **Blue** are the formulas that calculate the implementation and ongoing costs based on the assumptions that are put in the Black lines. Please call if additional information is required to understand or make changes to the Assumptions & Projections worksheet.

E. REVENUES

Select Fund	Current Budget Year FY 2011	Coming Budget Year FY 2012	Future Budget Year FY 2013
Total	0	0	0

F. COSTS by FUND

Select Fund	Current Budget Year FY 2011	Coming Budget Year FY 2012	Future Budget Year FY 2013
Uniform School Fund		41,748	41,748
Total	0	41,748	41,748

G. COSTS by EXPENDITURE CATEGORY.

Expenses by Category	Current Budget Year FY 2011	Coming Budget Year FY 2012	Future Budget Year FY 2013
Personal Services		32,123	32,123
Travel			
Current Expense		9,625	9,625
DP Current Expense			
DP Capital Outlay			
Capital Outlay			
Other/Pass Thru			
Total	0	41,748	41,748

H. Non-State Impacts

Your estimate of how will the bill affect:

Local Governments

School Districts and other Local Education Agencies would be required to insure each employee has been e-verified. The Superintendent or other Chief Executive of each LEA will be required to certify and/or insure compliance with 1st Sub HB 253.

Businesses

Additional annual external auditing of each LEA will be required to facilitate certification by the Superintendency or other Chief Executive.

Individuals

Assumptions		
State Education Agencies (USOE, EHS, USDB)		3
Number of School Districts		41
Number of Charter Schools (private employers)		80
Estimated Total FTEs in Public Education in Utah		28,000
Work hours per year		2,080
Human Resource Specialist fully loaded annual cost	\$	118,976
HR Specialist hours to comply per New Hire or FTE		0.15
Superintendent fully loaded annual cost	\$	168,670
Superintendent Hours to comply		2.00
Percent of New Hire population to be audited		35.0%
E-Verify record retention cost per New Hire	\$	2.50
Incremental additional audit cost per audited New Hire	\$	12.50
Employee Turnover per year		5.00%
Estimated total number of entities in Public Education		124
Total HR Specialist hours to initialize e verify for every FTE if lawful		4,200
Hourly Cost for HR Specialist	\$	57.20
Hourly Cost for Superintendent	\$	81.09
Cost per Superintendent to comply	\$	162
New Hires to be audited for compliance		490
HR Specialist hours to e verify New Hires		210
Projections		
Initial E Verify Processing by HR Specialists	\$	240,240
Total State Wide Implementation Costs	\$	240,240
Superintendency oversight and certification	\$	20,111
Additional external auditing	\$	6,125
Record retention	\$	3,500
Ongoing E Verify Processing by HR Specialists	\$	12,012
Total State Wide Ongoing Costs	\$	41,748